

State of Utah

Workforce Profile Report

FY 2006

The workforce profile provides the state and agencies with the pertinent information needed to quickly assess the makeup of the workforce and to detect potential challenges in recruiting and retaining qualified employees. It represents the beginning of a larger program of workforce planning, reporting and policy analysis which DHRM will implement over the next few years.

Workforce planning can be seen as the process by which we ensure that the State has the right people with the right skills in the right place at the right time to accomplish the purposes of state government. Utah code places the responsibility for planning directly on DHRM: "...in cooperation with other agencies, conduct research and planning activities to...determine and prepare for future state personnel needs;..." 67-19-6(1)(f)(i)

The Workforce Profile is the foundation of workforce planning. With this component, DHRM can identify critical areas that require attention and gain insight into how current policy affects the ability of the state to retain a competent work force. It consists of nine dimensions which have been chosen by state HR professionals to illustrate the basic demographic core of the state workforce. However, for this year's report, two dimensions will not be analyzed; corrective action and discipline and time to fill vacant positions. It will require the next fiscal year to gather the needed data. In addition, internal turnover has been added this year, and retirement eligibility has been computed for each agency beginning this year.

Workforce Profile Dimensions

Average Age when Hired - The actual age of the employee on his/her initial hire date.

Average Years of Service (Tenure)

Average Age

Retirement Eligibility - The number of employees who are eligible to retire in 1 year, 2 years, 3 years, 4 years, and 5 years.

Turnover - Turnover has been analyzed in two ways. First is the number of employees who leave state government in the fiscal year, which we call "external turnover". This number is presented in three groupings; total turnover, voluntary termination (resignation, retirement and other), and involuntary termination (disciplinary action, reduction in force and abandonment of position). Second, we have included employees who have left an agency due to a promotion, transfer, or a reassignment, but continued their employment at a different agency. This type of turnover is referred to as "internal turnover". These two types of turnover have also been combined to create a total turnover percentage.

Percentage Below Market – The average percentage amount the state's salary ranges are behind the market.

Quartile Distribution – This is the percentage of state employees in each quartile of the pay range.

Corrective Action and Discipline – Documented administrative action addressing substandard performance or behavior or disciplinary action as outlined in HR Rules.

Time to fill vacant positions – The average number of calendar days funded positions are vacant.

It is critical to note that this report profiles the state's "**core**" workforce rather than the "total" state workforce. The core is defined as the permanent and long term employees of the executive branch. This group consist of all career service employees (schedule B) and select non-career service employees in top level management and professional positions (schedules AD, AR, AS and AT). The "non-core" workforce is the seasonal and temporary employees, elected officials and immediate staff, department heads, and employees of the judicial and legislative branches.

The core workforce remains relatively stable over time allowing DHRM to track trends and conduct comparative analysis. The non-core workforce varies greatly over time and requires a different kind of evaluation than we are conducting here. This is the primary reason for focusing on a core for the workforce profile.

This report is in three sections.

- The first is an executive summary of the dimensions which represent the most critical issues facing the state human resource system.
- The second part is an executive summary of the remaining dimensions.
- The third part is a detailed analysis of each dimension and is published separate from the executive summary. The data in this section is analyzed by department and by salary survey grouping. This information may be obtained by contacting DHRM at (801) 538-3025.

Basic Workforce Demographics

The data for this report is for fiscal year 06 and was pulled the first week in August 2006.

- Total employees, core and non-core: 25,013
- Total core employees: 17,553 - 70% of the workforce
- Total career service employees: 16,411
93% of the core workforce
66% of the total workforce
- Total schedule AD, AR, AS and AT: 1,142
6.5% of the core workforce
4.6% of the total workforce
- Gender composition of total workforce: Males = 50.3%
Females = 49.7%
- Gender composition of core workforce: Males = 50.31%
Females = 49.69%

Ratio of State Employees to State Population

Year	2004	2005
Ratio of Total workforce to state population	1.01%	0.98%
Ratio of Core workforce to state population	0.71%	0.69%

Executive Summary – Part 1

Critical Issues

Compensation is the critical employee issue this year. This is shown by two dimensions; the Salary Index, and Quartile Distribution or position of employee on the pay range.

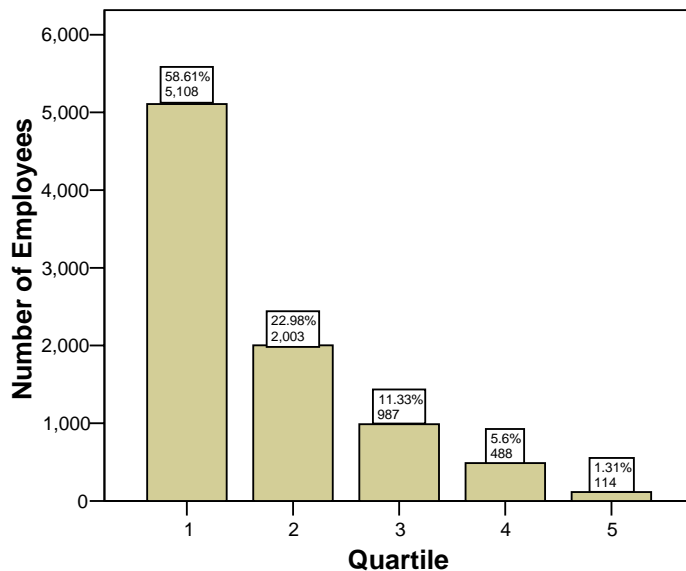
10-Year Salary-Index History: (State Salaries compared to the Market)

- Survey variations (not all the same companies respond each year) may cause numbers to vary.

Calendar Year	Salary Index %
1997	-08.8
1998	-11.7
1999	-12.9
2000	-12.7
2001	-12.8
2002	-17.0
2003	-18.1
2004	-19.9
2005	-16.0
2006	-16.1

- There is a wide range of the salary index among the 104 salary benchmarks. Three benchmarks representing 337 employees are below the market average by -40% or more.
- Forty two benchmarks representing 6,136 employees or 35% of the core workforce are below the market average by -20% or more. (Part 3, p.2)

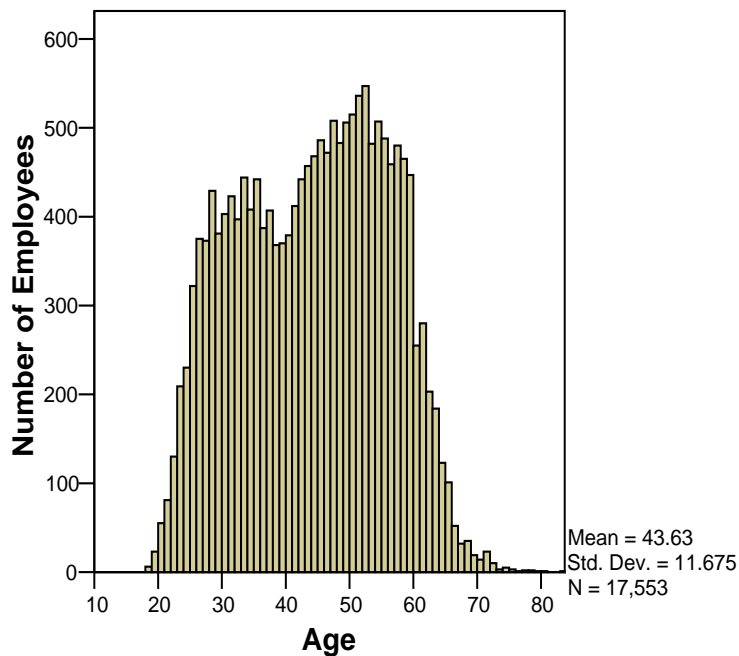
Quartile Distribution



- There is no change in the overall Quartile Distribution from last year.
- Seven agencies (two more than last year) have more than 80% of employees in the first two quartiles; Tax, Human services, Health, Environmental Quality, Board of Education, Insurance Department, and Financial Institutions. (Part 3, p.23)
- Thirty-One benchmark groupings have more than 80% of employees in the first two quartiles. (Part 3, p.30)
- The 5th column is longevity status.

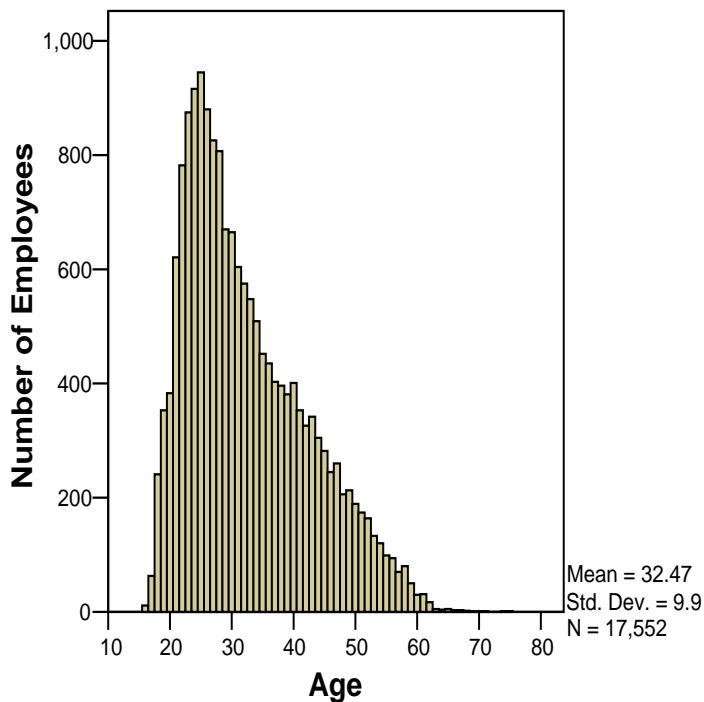
Executive Summary – Part 2

Average Age of Employees



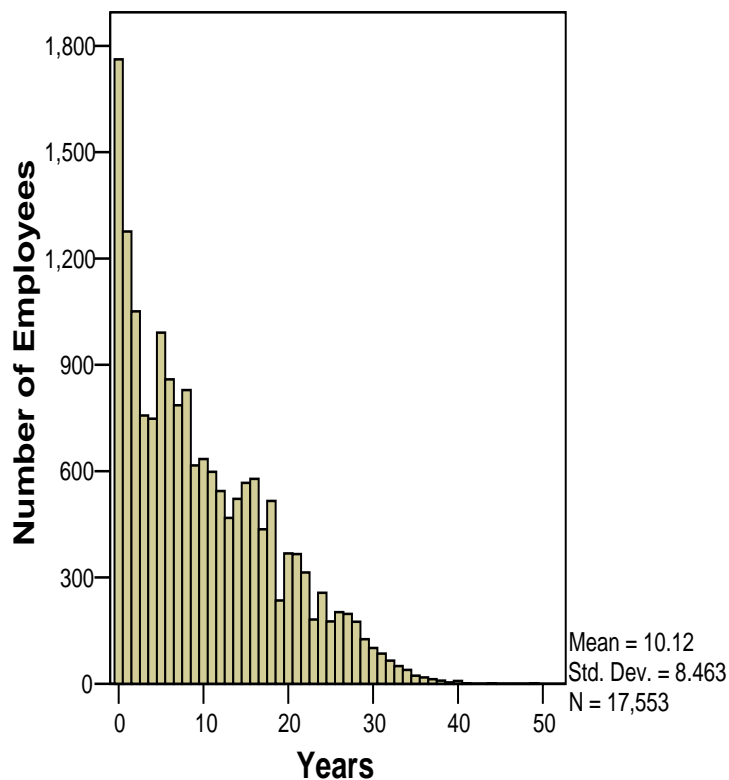
- There is no change in the average age of state employees from last year's average of 43.7.
- In three agencies the average age is 50 or more; State Treasurer, Agriculture, and Public Service Commission. (Part 3, p. 37)
- The youngest agencies are State Auditor (35 years), DHRM, Public Safety (40 years), Corrections and Human Services (41 years).
- Twenty-One percent (up 3% from last year) of core employees are over age 55. This is the group most likely to retire. (Part 3, p. 44)

Age When Hired



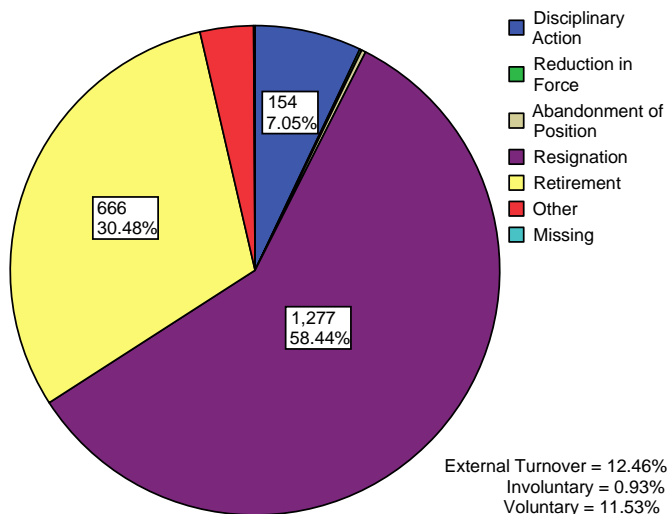
- The average of all core employees for FY06 when they were hired is 32.5 years.
- The average age of employees hired in FY04 is 34 years and FY05 is 33.3 years.
- Only the State Auditor and Public Safety have an average age at hire of less than 30. (Part 3, p. 51)

Total Years of Service



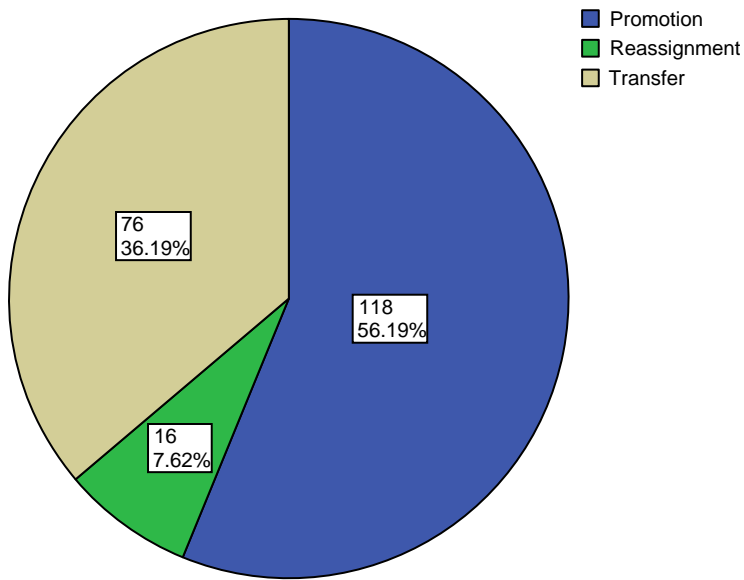
- The average tenure of a state employee is 10.1 years. This number has been consistent over the past 7 years.
- In three agencies, the average tenure is less than 8 years; State Auditor (7.6), National Guard (7.3), and Commerce (7.6). (Part 3, p. 66)
- Benchmark groups with the lowest tenure tend to be clerical positions, some regulatory professionals such as financial examiners and utility analysts, and some medical positions such as nurse and doctor. (Part 3, p. 73)

Statewide External Turnover



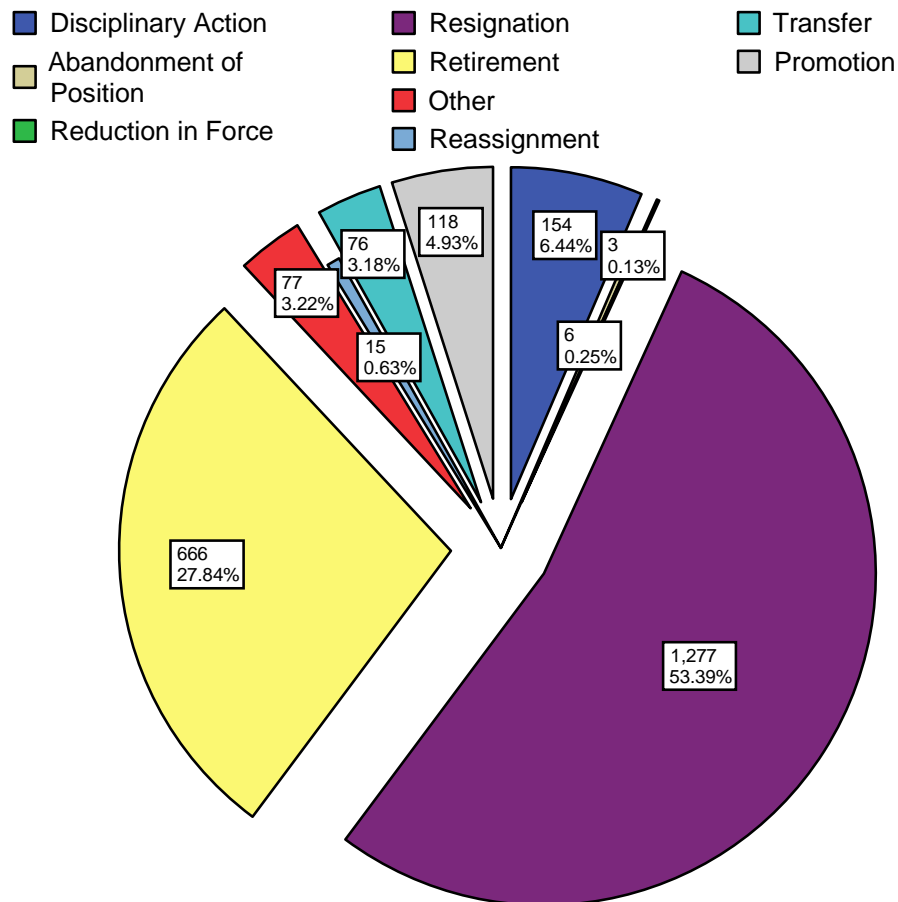
- Overall turnover in the state is 12.46%. Voluntary turnover is 11.53%. Involuntary turnover is .93%.
- Agencies with the highest turnover rate are Human Services (15.42%), State Auditor (16.13%), Education (16.60%), Commerce (16.26%). (Part 3, p. 83)

Internal Turnover

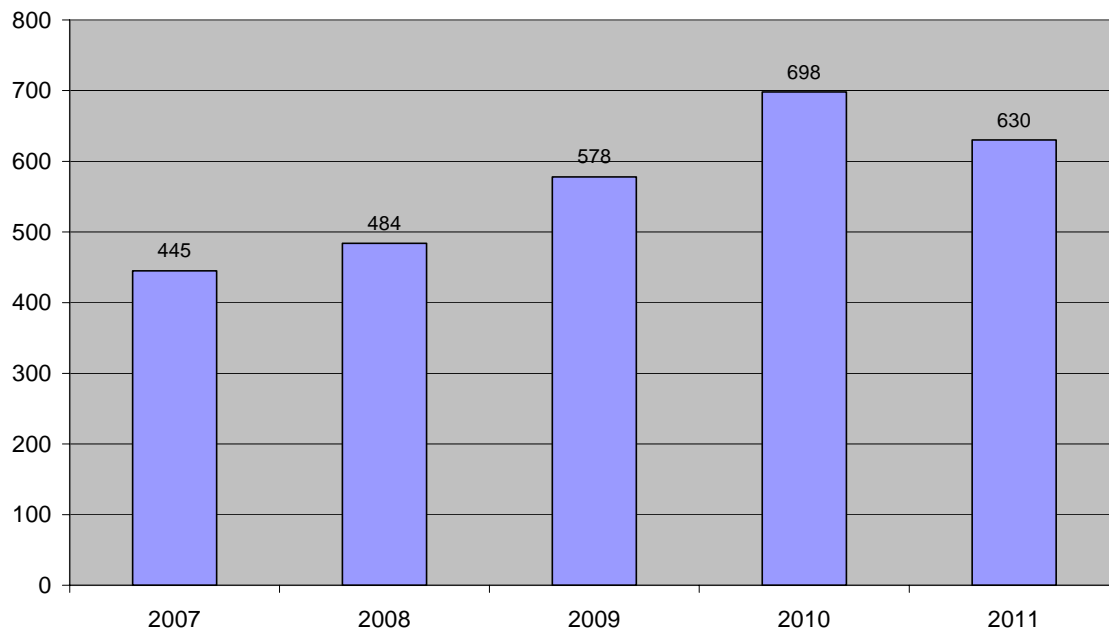


- The percent of employees moving to other state agencies is 1.19%
- Agencies with the highest turnover rate are Treasure (5.26%), Governor's Office (5.41%), Human Resource Management (6.67%), and Attorney General (3.05%). (Part 3, p. 83)

Overall State Turnover



Additional Employees Becoming Eligible for Retirement



- The above chart estimates the number of employees, in addition to those currently eligible to retire, who will become eligible for retirement each year for the next five years.
- At the end of FY06 there were 1727 core employees who met the Utah Retirement Systems criteria for retirement, about 10% of the core workforce.
- In FY06, 666 core employees retired, which is 3.7% of the total core workforce. This is an increase of 278 from FY 05, which can be attributed to the impact of HB213.